

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number S/037/0063 Mine Name Dusty Mine  
Operator Randolph Mining Date Closed Dec 2 2009  
TO \_\_\_\_\_ FROM \_\_\_\_\_

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE  
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI  
☐ AMENDMENT ☐ OTHER \_\_\_\_\_

Description

YEAR-Record Number

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File Closure - Confidential 2009 -0001

**CONFIDENTIAL**

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Public Bond File Closure 2009 -0003

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded  
Cover Letter 2009 -0005

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: \_\_\_\_\_

CC: \_\_\_\_\_

50370063 -Dusty 110001754

Account Number:

Account Name: UST - OGM - Randolph Mining aka Don Rand

Tran #:

Admin Name: Raylyn Daniel - UST 801-844-8523

Date: 11/18/2009

This check constitutes payment of the following:

Escrow Disbursements  
final release of acct #

Paid For:

Amount: \$4,185.48

110001754

Payee:

OGM - Randolph Mining aka Don Randolph  
c/o Utah State Treasurer  
350 N State Street Ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315

HARLAND CLARKE M17873 09624493

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

OFFICIAL CHECK

110001754

Zions First National Bank  
Salt Lake City, Utah  
801-844-7089

UST - OGM - Randolph Mining aka Don Rand

Trust Account 8911969

11/18/2009

\$4,185.48\*

Four Thousand One Hundred Eighty Five Dollars & 48/100

Pay to the Order Of:

OGM - Randolph Mining aka Don Randolph  
c/o Utah State Treasurer  
350 N State Street Ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315



*[Handwritten Signature]*

Details on Back.  
Security Features Included.

WHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

RECEIVED

NOV 24 2006

DIV. OF OIL, GAS & MINING

---ooOoo---

**SMALL MINE RECLAMATION CONTRACT**

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **Randolph Mining aka Don Randolph** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **S/037/063** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

☒ **APPROVED**

- A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and

workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
5. If the Surety expressly provides for cancellation or termination for non-renewal:
- A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
  - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety

☒ **APPROVED**

for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

☒ **APPROVED**

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

☒ APPROVED

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

Randolph Mining Co  
Operator Name

By Don Randolph  
Authorized Officer (Typed or Printed)

owner  
Authorized Officer - Position

Don Randolph 11-17-06  
Officer's Signature Date

STATE OF Colorado )  
 ) ss:  
COUNTY OF Montezuma )

On the 17<sup>th</sup> day of November, 2006, Don Randolph  
personally appeared before me, who being by me duly sworn did say that he/she is an owner (owner, officer, director, partner, agent or other (specify)) of the Operator Randolph Mining Co. and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Paula A. Armstrong  
Notary Public  
Residing at 2501 City Rd E

12-21-06  
My Commission Expires:

☒ APPROVED

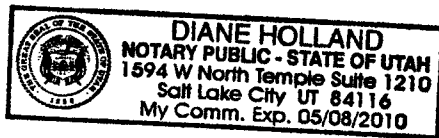
DIVISION OF OIL, GAS AND MINING:

By John R. Baza  
John R. Baza, Director

12/8/2006  
Date

STATE OF Utah)  
COUNTY OF Salt Lake) ss:

On the 8<sup>th</sup> day of December, 2006, John R. Baza  
personally appeared before me, who being duly sworn did say that he, the said  
John R. Baza is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.



Diane Holland  
Notary Public  
Residing at: Salt Lake City, Utah

05-08-2010  
My Commission Expires:



FACT SHEET

Commodity: URANIUM, VANADIUM

Mine Name: Dusty Mine

County: San Juan

Disturbed Acres: 5 A

Operator Name: Randolph Mining

Operator address: 24337 COUNTY ROAD N, Cortez, Colorado 81321-8816

Operator telephone: 970-565-8180

Contact: Don Randolph

Operator email: randolphdonr@aol.com

Surety: CASH

Bank Name: Zions Bank

Surety Amount: \$4000.00

Account number: Attachment A, to be issued

Contact: Beth Ericksen, Division of Oil Gas and Mining, 801 538 5318

Tax ID:           ?

VECTRA BANK

2000 South Colorado Blvd.  
Denver, CO 80222

246404839

REMITTER  
DON RANDOLPH

November 17, 2006

10-86/220

PAY TO THE ORDER OF KANSAS DEPARTMENT OF NATURAL RESOURCES, MINING\*\*\*

\$ \*4,000.00\*

\*\*\*FOUR THOUSAND and 00/100\*\*\* US Dollars

DRAWER: VECTRA BANK COLORADO, N.A.

DOLLARS

1487 04 0222

Mary D. Dyer - Jack J. Dyer

Issued by Integrated Payment Systems Inc., Englewood, Colorado  
to Citibank, N.A., Buffalo, NY

MP

# Cash RECEIPT

Date Nov. 28 06 MINERALS BOND \$4K

Permit Number CS10371063

Operator Randolph Minin & aka Don Randolph

Received by Beth Eickson

Signature I confirm the dollar amount of this check is correct.

DIV. OF OIL, GAS & MINING

NOV 27 4 2006



## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining


JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

October 2, 2006

TO: File

FROM: Paul Baker, Reclamation Biologist 

SUBJECT: Surety Amount, Randolph Mining, Dusty Mine, M0370063, San Juan County, Utah

The surety amount for the referenced project has been determined to be \$4000.00. This is less than the standard amount for a site of less than one acre for the following reasons:

1. The Division and the BLM both agreed the work could be done using a backhoe. Although the site is remote, mobilization costs for a backhoe are not as great as for a larger piece of equipment, such as a trackhoe or dozer. The cost for mobilization and demobilization should not exceed \$1000.00.
2. The disturbed area is about 0.25 acres and consists of a portal and a decline. Backfill material is readily available. According to Ted McDougall of the BLM, the rest of the site is well vegetated with volunteer shrubs and grasses. No more than about \$2000.00 should be needed to backfill the portal and decline.
3. The balance of the money, \$1000.00, would be available for revegetation.

The BLM agrees that the surety amount should be adequate. The accompanying e mail references an attached document which had the figure of \$4000.00.

O:\M037-SanJuan\S0370063-Dusty\final\bondmemo-10022006.doc

**From:** <Ted\_McDougall@blm.gov>  
**To:** "Paul Baker" <paulbaker@utah.gov>  
**Date:** 9/12/2006 10:01:47 AM  
**Subject:** Re: Don Randolph

Paul,

The bond amount is OK. Since the Notice on file with BLM has expired, the operator would need to file a new Plan of Operations with the BLM before we could authorize future operations. Could you mention this fact in your letter? or do you think it would be better for BLM to send a separate letter?

Thanks

"Paul Baker"  
<paulbaker@utah.gov>  
To  
<Ted\_McDougall@blm.gov>  
09/11/2006 01:23 PM cc  
Subject  
Don Randolph

Ted--

Attached is a letter I was planning to send to Don Randolph. Please let me know if you have any concerns about it. I didn't write down the bond amount, but I think it's what we decided.

Thanks.

Paul  
(See attached file: bond-09112006.doc)



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

November 4, 2009

Coleen Hackwell, Financial Analyst  
State of Utah  
Office of State Treasurer  
E315 State Capitol Complex  
Post Office Box 142315  
Salt Lake City, Utah 84114-2315

Subject: Authorization for Release of Cash Deposit Held by Utah State Treasurer, Dusty Mine, Randolph Mining Company S/37/0063, San Juan County, Utah

Dear Ms. Hackwell,

The Utah State Treasurer is presently holding funds for the benefit of the State of Utah, Division of Oil, Gas and Mining as a form of reclamation surety for the following projects:

Permit ID	Mine Name	BOND AMOUNT			OPERATOR Check payable to	Account Number
		Total Amount Held	Release Amount Requested	Amount to be Retained		
S0370063	Dusty Mine	\$4,000.00	\$4,000.00	\$0.00	Randolph Mining	

Please note that the total amount to be released is to include any interest accrued in this account, and no money is to be retained.

Please make the check payable to the operator and remit the funds to the Division, attention: Minerals Regulatory Program—Bond Coordinator.

Page 2  
Coleen Hackwell  
S/037/0063  
November 4, 2009

If you have any questions or require further discussion regarding the content of this letter, please contact Penny Berry, bond coordinator, at 801-538-5291, or by e mail at [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Dana Dean', with a long horizontal flourish extending to the right.

Dana Dean, P.E.  
Associate Director

DD:whw:pb

cc: [ted\\_mcdougall@blm.gov](mailto:ted_mcdougall@blm.gov)  
[opie\\_abeyta@blm.gov](mailto:opie_abeyta@blm.gov)

P:\GROUPS\MINERALS\WP\M037-SanJuan\S0370063-Dusty\final\cashr-3014-11032009.doc

(Task #3014)

## Bond Release Findings

October 29, 2009

Mine Name: Dusty Mine

Operator: Don Randolph

I.D. No.: S/037/0063

Mineral Ownership: BLM

Surface Ownership: BLM

**Disturbed and Bonded Area: 5 Acres**

**Acres Requested for Full Release:**

**Acres to be Release with this Action: 5 Acres**

### Surety

**Total Surety Amount:** \$4,000.00

**Form:** Cash

**Amount Requested for Release:** \$4,000.00 plus interest

**Amount Recommended for Released:** \$4,000.00 plus interest

### **Operations**

The site had been inactive since at least 1996. The area had been used for mining activities prelaw and the BLM recommended that an old shack and other prelaw material be left onsite. The site had been partially reclaimed. The NOI stated that the permit area could consist of up to 5 acres. On an inspection that the Division did in 2009, the estimated disturbed area was approximately 1 acre.

The major reclamation work still needed was backfilling the adit and reclaiming the road. The area that had been reclaimed had vegetation and was stable.

### **Reclamation**

General: Consisted of backfilling the portal and reclaiming the road.

Public Safety: The main safety issue was the adit which was backfilled.

Slopes, Highwalls, and Pits: The highwall around the adit was backfilled.

Plugging of Drill Holes and Closing Adits, Shafts, Etc.: The adit was backfilled.

Dams, Impoundments, and Drainages: No dam, or impoundments were on site. The drainage is mostly sheet flow. There are no defined drainages on site.

Roads: The road into the site was reclaimed.

Revegetation. The area is vegetated. The Operator and could meet the 70% cover requirement.

### **Recommendation**

The Division should grant full bond release for the site.



Permit Lead

80370063  
cc:wayne



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Monticello Field Office

P.O. Box 7

Monticello, Utah 84535

<http://www.blm.gov/utah/monticello>



#### IN REPLY REFER TO:

UTU-70996

(UTY-020)

Paul Baker  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

OCT 09 2009

Re: Release of Reclamation Surety, Notice of Intent, Randolph Mining, Dusty Mine, UTU-70996 (S0370063), Monument Canyon, San Juan County, Utah

Dear Mr. Baker:

On September 30, 2009 this office performed a compliance inspection at the Dusty Mine and found that work has recently been done by the operator to close the portal. The mine portal has been effectively sealed by backfilling with mine waste rock and other earthen material to block access to the underground mine workings. Therefore, the BLM is recommending that the \$4,000.00 reclamation surety be released.

If you have any questions or concerns, please contact Ted McDougall of my staff at (435) 587-1512.

Sincerely,

Thomas A. Heinlein  
Field Office Manager

cc:  
Don Randolph  
Randolph Mining  
24337 County Road N  
Cortez, Colorado 81321-8816

RECEIVED  
OCT 13 2009  
DIV. OF OIL, GAS & MINING

1005





EDWARD T. ALTER, CPA  
STATE TREASURER

# STATE OF UTAH

OFFICE OF STATE TREASURER

E315 STATE CAPITOL COMPLEX

P. O. Box 142315

SALT LAKE CITY, UTAH 84114-2315

TEL: (801) 538-1042

FAX: (801) 538-1465

TDD: (801) 538-1042

ROBERT C. KIRK  
CHIEF DEPUTY STATE TREASURER

CHRISTINE M. BRANDT  
STATE INVESTMENT OFFICER

December 15, 2006

Ms. Beth Ericksen  
Division of Oil, Gas & Mining  
1594 W North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, UT 84114

Dear Ms. Ericksen:

I hereby certify that as of December 6, 2006, Randolph Mining aka Don Randolph has deposited with the Utah State Treasurer cash or securities valued at \$4,000.00 and described as follows:

Interest bearing escrow account :                      held at Zions First National Bank

The above described securities have been deposited and assigned to the Utah State Treasurer as a Reclamation Surety as required by Section 40-8-14 Utah Code Annotated, and will be held by the Utah State Treasurer until release is requested by the Division of Oil, Gas & Mining.

Sincerely,

Coleen Hackwell  
Financial Analyst

☒ APPROVED

Attachment A  
S/037/063  
Dusty Mine  
\$4,000.00

VECTRA BANK

2000 South Colorado Blvd.  
Denver, CO 80222

246404839

REMITTER  
DON RANDOLPH

PAY TO THE ORDER OF \*\*\*UTAH DEPARTMENT OF NATURAL RESOURCES, MINING\*\*\*

November 17, 2006

10-96/220

\*\*\*FOUR THOUSAND AND 00/100\*\*\* US DOLLARS

\$ \*4,000.00\*

DRAWER: VECTRA BANK COLORADO, N.A.

DOLLARS

1487 04 0222

Issued by Integrated Payment Systems Inc., Englewood, Colorado  
To Citibank, N.A. Buffalo, NY

*Mary Curran - Tech Support*

MP

Cash RECEIPT

Date Nov. 28 06 MINERALS BOND \$4K

Amounts	
Permit Number	SL0371063
Operator	Randolph Minin & aka Don Randolph
Received by	Beth Eickson
Signature	<i>[Signature]</i>

I confirm the dollar amount of this check is correct *[Signature]*  
and amount.

DIV. OF OIL, GAS & MINING

NOV 24 2006